

EDMONDS CITY COUNCIL APPROVED MINUTES

January 5, 2016

The Edmonds City Council meeting was called to order at 7:01 p.m. by Mayor Earling in the Council Chambers, 250 5th Avenue North, Edmonds. The meeting was opened with the flag salute.

ELECTED OFFICIALS PRESENT

Dave Earling, Mayor
Kristiana Johnson, Councilmember
Michael Nelson, Councilmember
Adrienne Fraley-Monillas, Councilmember
Diane Buckshnis, Councilmember
Dave Teitzel, Councilmember
Thomas Mesaros, Councilmember
Neil Tibbott, Councilmember

STAFF PRESENT

Al Compaan, Police Chief
Jim Lawless, Assistant Police Chief
Phil Williams, Public Works Director
Carrie Hite, Parks, Rec. & Cult. Serv. Dir.
Shane Hope, Development Services Director
Scott James, Finance Director
Mary Ann Hardie, Human Resources Manager
Jeff Taraday, City Attorney
Scott Passey, City Clerk
Jerrie Bevington, Camera Operator
Jeannie Dines, Recorder

1. ADMINISTRATION OF OATH OF OFFICE TO NEWLY ELECTED OFFICIALS

Mayor Earling remarked it was always a thrill to have five Councilmembers and himself sworn in. At the City Attorney's advice, Councilmembers and he were sworn in legally in December. Tonight is largely ceremonial but it is important for the public to see and hear Councilmembers and him sworn in.

Pastor Barr Crane administered the oath of office to Mayor Dave Earling.

Mayor Earling individually administered the oath of office to Councilmembers Mike Nelson, Diane Buckshnis, Dave Teitzel and Thomas Mesaros.

Gary Haakenson administered the oath of office to Councilmember Neil Tibbott.

2. ROLL CALL

City Clerk Scott Passey called the roll. All elected officials were present.

3. APPROVAL OF AGENDA

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO APPROVE THE AGENDA IN CONTENT AND ORDER. MOTION CARRIED UNANIMOUSLY.

4. APPROVAL OF CONSENT AGENDA ITEMS

COUNCILMEMBER FRALEY-MONILLAS MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE THE CONSENT AGENDA. MOTION CARRIED;

COUNCILMEMBERS TEITZEL AND TIBBOTT ABSTAINED FROM ITEM B. The agenda items approved are as follows:

- A. APPROVAL OF DRAFT CITY COUNCIL MEETING MINUTES OF DECEMBER 15, 2015**
- B. APPROVAL OF CLAIM CHECKS #217612 THROUGH #217704 DATED DECEMBER 17, 2015 FOR \$293,146.39, #217705 THROUGH #217803 DATED DECEMBER 23, 2015 FOR \$1,077,674.06 AND #217804 THROUGH #217893 DATED DECEMBER 31, 2015 FOR \$889,825.41. APPROVAL OF PAYROLL DIRECT DEPOSIT AND CHECKS #61994 THROUGH #62003 FOR \$482,409.95, BENEFIT CHECKS #62004 THROUGH #62008 AND WIRE PAYMENTS OF \$529,891.72 FOR THE PAY PERIOD DECEMBER 1, 2015 THROUGH DECEMBER 15, 2015**
- C. ACKNOWLEDGE RECEIPT OF A CLAIM FOR DAMAGES FROM SCOTT BLOMENKAMP (\$100,000.00)**
- D. AUTHORIZATION FOR MAYOR TO SIGN AN AGREEMENT WITH THE STATE OF WASHINGTON DEPARTMENT OF ECOLOGY FOR A MUNICIPAL STORMWATER CAPACITY GRANT**
- E. REPORT ON FINAL CONSTRUCTION COSTS FOR THE PHASE 2 ANNUAL SEWER REPLACEMENT PROJECT AND ACCEPT PROJECT**
- F. RESOLUTION THANKING COUNCILMEMBER ADRIENNE FRALEY MONILLAS FOR HER SERVICE AS COUNCIL PRESIDENT**
- G. REAPPOINTMENT OF THE LODGING TAX ADVISORY COMMITTEE MEMBERS FOR 2016**
- H. 2015 RETIRING BOARD AND COMMISSION MEMBERS**
- I. REAPPOINTMENT OF BRIAN BOROFKA AND LOIS BROADWAY TO THE ARCHITECTURAL DESIGN BOARD**
- J. REAPPOINTMENT OF BEVERLY SHAW STARKOVICH TO THE EDMONDS ARTS COMMISSION**
- K. REAPPOINTMENT OF FOUR HISTORIC PRESERVATION COMMISSIONERS**

5. ACTION ITEMS

A. SELECTION OF COUNCIL PRESIDENT FOR 2016

City Clerk Scott Passey reviewed the selection process: The Mayor will call for nominations. No Councilmember may nominate more than one person until every member wishing to nominate a candidate has had the opportunity to do so. Nominations do not require a second. The Mayor will repeat each nomination until all nominations have been made. When it appears no one else wishes to make a nomination, the Mayor will ask again for nominations. If none are made, the Mayor will declare the nominations closed. After the nominations are closed, the Mayor will call for a vote in the order that the nominations were made. Councilmembers will be asked to signify their vote by raising their hand. As soon as a nominee receives four votes, the Mayor will declare the Council President elected and no votes will be taken on the remaining nominees. The same process will be repeated for the election of the Council President Pro Tem.

Mayor Earling opened nominations for Council President.

COUNCILMEMBER FRALEY-MONILLAS NOMINATED KRISTIANA JOHNSON FOR THE POSITION OF COUNCIL PRESIDENT.

COUNCILMEMBER BUCKSHNIS NOMINATED THOMAS MESAROS FOR THE POSITION OF COUNCIL PRESIDENT.

There were no further nominations.

NOMINATION OF KRISTIAN JOHNSON FOR COUNCIL PRESIDENT FOR 2016 CARRIED (4-3) COUNCILMEMBERS MESAROS, BUCKSHNIS AND TIBBOTT VOTING NO.

B. SELECTION OF COUNCIL PRESIDENT PRO TEM FOR 2016

COUNCILMEMBER FRALEY-MONILLAS NOMINATED THOMAS MESAROS FOR THE POSITION OF COUNCIL PRESIDENT PRO TEM.

There were no further nominations.

NOMINATION OF THOMAS MESAROS FOR COUNCIL PRESIDENT PRO TEM FOR 2016 CARRIED UNANIMOUSLY.

C. APPOINTMENT OF COMMITTEE REPRESENTATIVES FOR 2016

Councilmember Fraley-Monillas advised she has gathered all the requests for committee assignments; there are only a few where more than one Councilmembers requested a committee. She will allow Council President Johnson to make a decision regarding those assignments.

Council President Johnson advised she will make the committee assignments at the next Council meeting. Mayor Earling advised appointments need to be made to the Snohomish County Health District Board and the Snohomish County Public Transportation Benefit Area Corporation.

D. APPROVAL OF RESOLUTION APPOINTING A COUNCILMEMBER TO THE SNOHOMISH COUNTY HEALTH DISTRICT BOARD

COUNCIL PRESIDENT JOHNSON MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO NOMINATE COUNCILMEMBER FRALEY-MONILLAS TO THE SNOHOMISH COUNTY HEALTH DISTRICT BOARD.

Council President Johnson commented Councilmember Fraley-Monillas has served on the Health District Board for several years and she would like her to continue in that role.

MOTION CARRIED UNANIMOUSLY.

COUNCIL PRESIDENT JOHNSON MOVED, SECONDED BY COUNCILMEMBER MESAROS, TO APPROVE RESOLUTION 1347, APPOINTING COUNCILMEMBER FRALEY-MONILLAS TO THE SNOHOMISH COUNTY HEALTH DISTRICT BOARD. MOTION CARRIED UNANIMOUSLY.

E. APPROVAL OF RESOLUTION APPOINTING A REPRESENTATIVE AND ALTERNATE TO THE SNOHOMISH COUNTY PUBLIC TRANSPORTATION BENEFIT AREA CORPORATION

Council President Johnson asked whether the appointment could be made next week. Mayor Earling advised there is a meeting this Thursday.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCIL PRESIDENT JOHNSON, TO APPOINT MAYOR DAVE EARLING AS THE REPRESENTATIVE TO THE SNOHOMISH COUNTY PUBLIC TRANSPORTATION BENEFIT AREA CORPORATION. MOTION CARRIED UNANIMOUSLY.

Councilmember Fraley-Monillas relayed a couple Councilmembers expressed interest in being the alternate. Mayor Earling advised the alternate could be appointed next week.

[Note: Resolution 1348 was approved at the conclusion of Agenda Item 7A.]

6. AUDIENCE COMMENTS

Marlin Phelps, Edmonds, said two years ago he was railroaded by the Police Department. It took 97 hearings to be found not guilty by 2 juries for crimes he did not commit. He was summarily beaten at one point although he was innocent. He was not allowed to drive his car, his water was shut off, and he was tortured beyond belief. Due to the abhorrent behavior in the courtroom, he ordered the court tapes. He described the conduct of the Judge Pro Tem and the prosecutor Rachel Hunter on May 21, 2014, asserting Ms. Hunter lied in open court to have him remanded, a complete set up and Judge Fair was present. He was then taken to the parking lot where his arms were twisted behind his back and the police wrenched so hard on the handcuff that he still feels pain in his elbow. Detective Mills drove him south although he was supposed to go to Snohomish County Jail even though there was no charge and he believed he was being taken to the woods to be killed. He ordered tapes from the May 21, 2014 meeting and received a heavily edited CD with all the incriminating behavior removed and the order of items changed. He reordered the recording eight months later and received the actual CD of the meeting, proof of their terrible, ruthless behavior as well as the cover-up. The Judicial Commission opened an investigation today. He and his family no longer have a home because of this.

Larry Vogel, Edmonds, Historic Preservation Commission (HPC), expressed the HPC's appreciation for the Council's support and for continuing to include funding for the historic calendar in the budget. The historic calendar is the key information piece published by the HPC and helps to raise awareness and a sense of local heritage. He has been on the HPC since 2007 and has been reappointed to another three year term. The HPC will be actively recruiting new members in 2016 who have an interest in heritage, public service, and historic preservation. He urged Councilmembers to encourage likely candidates to apply. There are currently 18 properties on the register and the HPC hopes to expand the number in a purposeful and strategic way by reviewing survey data. The HPC also plans to work more closely with the Historic Society and the Museum and looks forward to leveraging historic preservation to promote economic development and a healthy business environment in Edmonds.

Emily Scott, Edmonds, Historic Preservation Commission, thanked the Council and the Mayor for their support and for keeping the historic town of Edmonds historic. The HPC has a lot of plans for 2016 with regard to educating the public about what the HPC does. She offered calendars to the Council.

Dave Page, Edmonds, welcomed Councilmembers and as Paul Harvey said, he can hardly wait to hear the rest of story [from the first speaker]. He commented he knows all the Councilmembers and has had opportunity to meet with them and learn about their values. He believed this Council had the opportunity to be the best Council he had ever witnessed; the right people are in the right places.

7. PRESENTATIONS/REPORTS

A. PRESENTATION OF RESOLUTION AND PLAQUE TO COUNCILMEMBER ADRIENNE FRALEY MONILLAS FOR HER SERVICE AS COUNCIL PRESIDENT IN 2015

Mayor Earling said it had been a privilege to work with Councilmember Fraley-Monillas; she has been open and fair in weekly meetings with him and Council President Pro Tem Johnson. He was certain Councilmembers appreciate the great effort being Council President requires and Councilmember Fraley-Monillas has done an extraordinary job. He read a resolution thanking Council President Fraley-Monillas for her service as Council President beginning January 6, 2015 for a one year term. He presented the resolution and plaque to her.

Councilmember Fraley-Monillas agreed it has been a great year. She thanked Mayor Earling, agreeing they worked well together; their openness and willingness to communicate helped in that process. She thanked the prior Council for their support of her as Council President; without their efforts little would have been accomplished last year. She acknowledged the last year as Council President was a lot of work and she looked forward to just studying packet instead of shepherding everything. She also thanked staff for their assistance.

Mayor Earling relayed the Council did not pass a resolution related to the Snohomish County Public Transportation Benefit Area Corporation.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY MESS, TO APPROVE RESOLUTION 1348, APPOINTING MAYOR DAVE EARLING TO THE SNOHOMISH COUNTY PUBLIC TRANSPORTATION BENEFIT AREA CORPORATION. MOTION CARRIED UNANIMOUSLY.

8. CONTINUED ACTION ITEMS

A. 2015 NONREPRESENTED COMPENSATION STUDY

Human Resources Manager Mary Ann Hardie explained Human Resources has had a few discussion with Council in the recent past regarding the results of the 2015 Nonrepresented Compensation Study, a study performed by policy every three years. At the September 22, 2015 meeting Council requested further review of the salary and total cost of compensation comparator information. Staff is seeking Council approval for implementation effective January 1, 2016. She reviewed options:

- Option 1: Current policy comparator cities (includes: Snohomish, King, Pierce, Kitsap and Thurston Counties).
 - These are the original comparator cities when the policy was crafted and adopted by Council in 2012.
 - Includes salary adjustments already approved by Council at the September 22, 2015 meeting:
 - Assistant Police Chief: 2.5% of a base wage deferred compensation benefit for this position to bring the position within 4% of the market
 - Adjusting the HR Assistant wage range by 4% to bring this position in line with external market comparators.
 - Total cost for both changes is approximately \$8,000
- Option 2: Requested by Council at the September 22, 2015 meeting. Includes current policy comparator cities, excluding Kitsap County (Bremerton).
 - Salary adjustment the same as Option 1

Ms. Hardie explained the reason there are different options with different labor markets is based on best compensation practices regarding market competitive pay systems as used at the City and appropriate to review the relevant labor market. Reviewing the relevant labor market ensures the City's Nonrepresented

Pay Policy and compensation surveying process is fair, consistent and equitable. The relevant labor market represents the fields of potentially qualified candidates for particular jobs; companies collect compensation survey data from these markets defined on the basis of occupational classification, geography and product or service market competitors. According to the AWC one of first factors to consider in determining pay levels is looking at the local labor market conditions. Edmonds' relative labor market compares primarily to other public sector cities of comparable population size. There are few if any nonrepresented positions that could not be found within the local geographic labor market (Snohomish, King and Pierce counties) that would require using a wider geographic search area for candidates.

Ms. Hardie explained market pricing is also a consideration in determining the labor market. In doing so, the following questions should be considered: from which market do we hire employees, to which do we lose employees and which market would our organization like to compete? For Edmonds, the most relevant labor market includes King, Snohomish and Pierce counties since the benchmark positions surveyed may be found within the local geographic area and since the City has primarily hired employees from and lost employees to and primarily compete with King, Snohomish, and Pierce counties. Additionally, the City's employee base comes from this group. She reviewed a third option:

- Option 3: Recommended by Mayor Earling: Includes current policy comparator cities, excluding Kitsap and Thurston counties, leaving Snohomish, King and Pierce counties. Previously recommended by the consultant in 2012 but not adopted by Council at that time.
 - Salary range adjustments with this option:
 - Assistant Police Chief (previously approved): 2.5% of a base wage deferred compensation benefit for this position. This would bring this position within 4% of the market
 - Cost: approximately \$7,013/year
 - HR Assistant (previously approved): adjusting wage range by 4% to bring position in line with external market comparators.
 - Cost: approximately \$988/year
 - IT Supervisor: decision package already approved in the budget to reclassify this position
 - Cost: \$4,887/year
 - Planning Manager: adjust this position by 3%.
 - Cost: approximately \$5,940/ year
 - Police Chief: adjust this position by 3%.
 - Cost: \$7,956/year
 - Total approximate cost: \$26,784

Ms. Hardie reviewed recommended changes to the Nonrepresented Compensation Policy:

1. Provide clarification that the same eight cities will be used for each surveyed benchmark position.
2. Private sector market data can be challenging to find equivalent benchmark positions and total cost of compensation information for. For this reason, it is recommended that the policy language be updated to reflect that the City may use private sector market data with the study.

Councilmember Fraley-Monillas said she understood removing Kitsap but Thurston County has some cities of comparable size to Edmonds such as Lacey and Olympia. Ms. Hardie answered Olympia is now a little bigger but Lacey would be within comparable population size. Councilmember Fraley-Monillas asked why the City would not want to consider Thurston County, noting as the job market and living market have progressed over the past ten years, people are moving out into more rural areas to be able to afford housing and amenities available in a more distant county. Ms. Hardie answered one of the primary considerations in determining which counties to include is the actual cost of living; different geographic areas have different costs of living. Arguably there will be certain areas within counties that are comparable but by and large Olympia is not comparable in terms of assessed valuation, etc. She agreed

there were people willing to move out further and perhaps commute; however, that is not always an ideal situation for the City or the employee. She summarized the cost of living for the job market and housing market is different; Olympia pays a lower rate than many of the comparator cities. There is cost of living geographical differential calculation that can be used but it is quite complicated. Rather than using that calculation, it seemed to make sense to include cities that are close by.

Councilmember Fraley-Monillas pointed out most of the cities in all three options are in the same geographic area along the I-5 corridor. She said using Lacey as a comparator city makes as much sense as using Des Moines or Issaquah. She felt Thurston County should potentially be included particularly since it has gotten bigger and it keeps encompassing other cities on the I-5 corridor. She noted that is where people are moving, similar to people in this area moving to Skagit County.

Councilmember Fraley-Monillas referred to the use of comparator cities that are closely aligned with Edmonds and asked how closely Edmonds was aligned with Seattle or King County's cost of living. Ms. Hardie acknowledged Seattle has a higher cost of living; Seattle uses Edmonds as a comparator for their surveys although Seattle definitely pays at a higher level.

Councilmember Mesaros agreed Option 3 was the best option. If the City wants to hire quality people and wants them to stay working for the City, it is desirable to have them live as close to the City as possible. He disagreed with Councilmember Fraley-Monillas about Lacey; the cost of living in Lacey is much lower so they can hire employees at a much lower rate than Edmonds can. Option 3 reflects the economics of paying employees fairly and having them live as close as possible to the Edmonds area to allow them to be part of the City as well as work for the City.

Councilmember Buckshnis agreed with Councilmember Fraley-Monillas, pointing out Lacey's salary of \$99,000 compared to \$72,000 in Edmonds for an IT Supervisor. She recalled the City spent a tremendous amount on this survey as well as a tremendous amount of time in executive session reviewing every step. In her opinion if it is not broken, it should not be changed. She preferred Option 2 because she agreed with excluding Kitsap County. She pointed out Lacey's salary of \$130,000 for a Commander compared to \$102,000 in Edmonds for the Assistant Police Chief. Ms. Hardie answered there definitely will be some positions that pay either comparably or higher. Certain positions such as engineering and IT are difficult because the City competes with the private sector. She understood Councilmember Buckshnis' desire to keep Thurston County, noting they are growing and at some point they may be a good match.

Council President Johnson agreed with the concept if it is not broken, let's not fix it. In the past the City has always used Thurston and Kitsap counties; in fact there is only one comparable city in each of those counties, Lacey in Thurston County and Bremerton in Kitsap County. She noted in the cover memo, Bremerton was included in Option 2, likely just an oversight. She was happy with Option 1 followed by Option 2.

Mayor Earling commented he has looked at this long and hard and has had several conversations with staff. There was no question in his mind that there was opportunity for more equity if the comparator cities were narrowed to the three counties in his recommendation. The idea of pay and using the three county comparators really struck home with him Monday when Stormwater Engineering Program Manager Jerry Shuster announced he was leaving the City to go to Bellevue. After looking at a number of studies, there is no question the cost living is higher in Edmonds than in Kitsap or Thurston County.

Councilmember Fraley-Monillas asked if Mr. Shuster's position would have been affected by this decision. Mr. Hardie answered it potentially could have been effected. Councilmember Fraley-Monillas pointed out Option 3 would not have increased his salary. Ms. Hardie pointed out one of the salary adjustment that was not brought forward as a recommendation in Option 3 was the Stormwater

Engineering Manager due to serious internal equity considerations with the other engineering positions. After discussion with the Public Works Director and City Engineer it did not make good sense to bring that recommendation forward.

Councilmember Fraley-Monillas noted there is only one other city in Snohomish County in Option 3 and asked if there were no other cities whose population was 10,000 above or below Edmonds. Ms. Hardie answered not in that range; there were some within 15,000-20,000 above or below Edmonds' population. Councilmember Fraley-Monillas inquired about Marysville and Mukilteo. Ms. Hardie said Marysville's population is approximately 60,000 and Mukilteo's is not quite in the 10,000 range. Councilmember Fraley-Monillas did not agree with excluding the other counties and retaining only King, Snohomish and Pierce as there is a big difference between wages in King and Snohomish counties. She preferred Option 2.

Councilmember Buckshnis recalled other than Mr. Shuster there have not been many employees leaving to take another position; most have retired. She was sorry to see Mr. Shuster leave but she has not heard complaints that the City is underpaying. Ms. Hardie agreed there may not have been an exodus of employees but the City must be mindful of a potential exodus. Ensuring a fair, equitable and consistent policy and attracting quality employees and talent prevents an exodus. To the point that if something is not broken, don't fix it, she agreed the policy was not broken but it was always a good idea when reviewing this process every three years to ensure it is relevant to the City today.

Councilmember Buckshnis commented the City spent a lot of time and money in 2012 and now after just 3 years staff was recommending a change to only Snohomish County, Pierce and King counties. It was too soon for her to consider that change; possibly in three years she may be more open to excluding smaller areas. She was glad the City implemented the steps which raised a lot of salaries.

Councilmember Teitzel agreed with Councilmember Mesaros. Option 3 has logic, it is more geographically consistent and there are cost of living consistencies, housing market consistencies, and transit consistencies. He found logic in using geographic cluster cities around Edmonds as comparators. As it appeared the Council was in agreement about excluding Bremerton, he felt Option 3 was the most logical.

COUNCILMEMBER FRALEY-MONILLAS MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE OPTION 2.

Councilmember Fraley-Monillas relayed her belief that Thurston County was a comparator to Edmonds, it has cities of similar size and its housing market is similar to north and east Snohomish County. She agreed with excluding Kitsap County.

Councilmember Mesaros did not support the motion based on his earlier comments; Edmonds is better served to include just Pierce, King and Snohomish counties because the City wants to hire people who can afford to live in those areas. Including Lacey does not provide comparative information that is beneficial to the City.

Council President Johnson commented the difference between Option 2 and 3 is a budget impact of \$26,784. She asked how that would be funded. Ms. Hardie answered Option 2 includes only the adjustments for the Assistant Police Chief and the Human Resources Assistant, a total of approximately \$14,000. She clarified the consultant's recommendations in 2012 was Snohomish, King and Pierce counties.

UPON ROLL CALL, MOTION CARRIED (4-3), COUNCIL PRESIDENT JOHNSON AND COUNCILMEMBERS FRALEY-MONILLAS, BUCKSHNIS, AND TIBBOTT VOTING YES; AND COUNCILMEMBERS NELSON, MESAROS AND TEITZEL VOTING NO.

Ms. Hardie requested Council direction regarding the changes to the Nonrepresented Compensation Policy.

Councilmember Fraley-Monillas asked about the change, “Additionally, private sector data ~~will~~ *may* be gathered and considered where it is a significant factor in the City’s competitiveness.” She acknowledged there are some job classifications for which a comparable match could not be found. However, the private sector generally pays much higher than public sector; people do not go into public sector jobs for the money, it is for public service most of the time. She asked if would be rare to gather private sector data. Ms. Hardie answered the change was proposed because there is a lot of pay secrecy in the private sector unlike the public sector and it is difficult to find data. Data is often paid-for-data, there is often not an 80% match and it is often difficult to obtain all the compensation data such as health insurance, etc. There are a few positions that would be compared such as engineering and IT. Obtaining private sector data is challenging so the intent is not to state the City will gather that data.

Councilmember Fraley-Monillas asked how data is obtained if the private sector is secretive. Ms. Hardie answered it is paid for via surveys like Milliman and it is expensive. Councilmember Fraley-Monillas asked how many job the City would need to pay for survey data. Ms. Hardie answered engineering and IT are the primary positions; other positions are comparable in other cities. When there are good matches, there may not be a need to look at the private data. Councilmember Fraley-Monillas asked if data would be collected on other civil service jobs first before seeking data on private sector jobs. Ms. Hardie answered yes although King County and Seattle pay more than Edmonds for certain positions. Human Resources Reporting Director Hite pointed out the policy currently states the City will go get data; the City has not been able to get data from the private sector. Thus the proposed change to say the City may get that data but may not depending on whether it’s accessible. Councilmember Fraley-Monillas asked what happened if the City did not get that data. Ms. Hite answered the City just compared to the cities and does not include private sector data. This is a housekeeping change prompted by employees saying the City will get the data and City does not get it due to the cost. This language allows the option to obtain that data but does not require it.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER MESAROS, TO APPROVE THE PROPOSED CHANGES TO THE NONREPRESENTED COMPENSATION POLICY. MOTION CARRIED UNANIMOUSLY.

Ms. Hardie advised in light of the Council’s approval of Option 2, staff will bring forward an amendment to the policies to include Option 2. Ms. Hite suggested Council authorize staff to amend the policy to include Option 2 as the comparator cities and not require it come back to Council.

COUNCILMEMBER MESAROS MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE A CHANGE TO THE NONREPRESENTED COMPENSATION POLICY TO INCORPORATE OPTION 2. MOTION CARRIED UNANIMOUSLY.

B. AMENDMENT TO AND RENEWAL OF ILA WITH CITY OF MILL CREEK FOR DOMESTIC VIOLENCE COORDINATOR

Assistant Police Chief Jim Lawless reported since January 2007 Edmonds and Mill Creek have been partners in an Interlocal Agreement (ILA) for the services of domestic violence coordinator. That individual assists with domestic violence victims, processing through the court, an assistance role in facilitating services for the individual. Traditionally that had been 19 hours per week, shared with Mill

Creek with Edmond have approximately 66% of the hours and Mill Creek having 33% and the cities split the cost. In 2013 the ILA was amended to reduce the hours to a total of 12 and a 50/50 share. In the most recent budget, a decision package was approved to put the hours back to the previous amount before they were reduced and the 66%/33% split with Mill Creek This ILA between the City and Mill Creek reflects that change.

COUNCILMEMBER MESAROS MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE THE AMENDMENT TO AND RENEWAL OF THE ILA WITH THE CITY OF MILL CREEK FOR THE DOMESTIC VIOLENCE COORDINATOR. MOTION CARRIED UNANIMOUSLY.

9. **STUDY ITEMS**

A. **NOVEMBER 2015 MONTHLY BUDGETARY FINANCIAL REPORT**

Finance Director Scott James displayed a General Fund – Funds Revenue Comparison without 2014 bond proceeds, pointing out General Fund revenues are \$1.6 million higher than 2014. He displayed a comparison of General Fund Revenue Budget to Actual, highlighting the following:

- Total taxes 5.8% higher than 2014
- Sales tax revenue \$837,000 higher than 2014
- 2015 Licenses and Permits down slightly from 2014
- Intergovernmental revenues are 1.9% higher than 2014
- 2015 Fee for Service revenues are 5.9% lower than 2014
- Fines & Forfeitures are just over \$18,000 below 2014 amounts
- 2015 Miscellaneous revenues are coming in over 20.8% higher than 2014 revenues

He reviewed a pie chart of sales tax by category, advising the retail automotive is the largest source followed by contractors. He displayed a graph of sales tax changes by category, pointing out the total is \$837,000 over 2014. In November contractors had the largest gain, \$506,000 over this time last year. He displayed a General Fund – Funds Expenditure Comparison, advising General Fund expenses are 9.3% higher than they were in 2014 primarily due to paying Fire District 1 (FD1) more this year. He displayed a General Fund Department Expense summary, advising expenditures are at 85% with 91% of 2015 complete. He advised REET revenues are 42.8% higher than the same period last year.

Mr. James displayed a Utility Fund Revenue Comparison, explaining without bond proceeds, the Utility Fund 2015 revenues are \$1.7 million ahead of last year's revenues. Water sales increased by \$507,000 over 2014, stormwater sales increased by \$138,000 over 2014, and sewer sales increased by \$467,000 over 2014. He displayed Utility Fund Expense Comparison, commenting overall Utility Funds expenses decreased \$854,928 over 2014, primarily due to decreased capital expenses.

Councilmember Buckshnis referred to Note 5 regarding an interfund loan and asked if that was for FD1. Mr. James explained funds were loaned to the Street Construction fund due to grants for projects that are in the process of being reimbursed. Councilmember Buckshnis asked whether the two reserve funds were fully funded. Mr. James answered yes, when the loan is repaid.

Councilmember Teitzel observed property tax revenue is up approximately \$5,000 in 2015 and asked if that was due to assessed value increases or new construction. Mr. James answered a lot of new construction has been added; another reason is the permanent \$0.50 EMS levy that was approved in 2009 and increases in assessed value that generated over \$300,000.

Councilmember Nelson observed on the General Fund Expense Summary, the City Council spent the least.

B. SERVICES AGREEMENT WITH SORENSON FORENSICS, LLC FOR BIOLOGICAL SCREENING & DNA TESTING SERVICES

Assistant Police Chief Jim Lawless explained since 2010 the City has contracted for DNA testing services which enhances the Police Department's ability to solve certain property crimes. The company the City has used since 2010 must be certified by the Washington State Patrol (WSP) in order to input their data into the database. That company has been through several mergers, acquisitions, sales and have relocated their testing facility from Texas to Maryland. In April the State was evaluating another company and entered into a contract. When it was time to renew with the company the City had been using, Orchid Cellmark, now Bode Cellmark, he was informed WSP would no longer accept their results and would only contract with and accept results from Sorenson. He contacted Sorenson, developed a contract which has been reviewed by legal and approved as to form. For all intents and purposes nothing will change; it may be to the City's benefit in the long range due to cost savings and quicker turnaround time. Funding has been approved in the 2016 budget for DNA testing services so there is no fiscal impact.

Councilmember Nelson asked why WSP dropped the other facility. ACOP Lawless answered there are several reason; WSP must go on site quarterly to certify the lab. Another reason is a business practice; rather than visiting Bode Cellmark in Maryland, Sorenson is located in Utah. It had nothing to do with the quality of work that was being produced; it is very labor intensive to certify a lab. He also learned King County has had an independent, separate contract with Sorenson for DNA testing for a number of years. Another reason was WSP's desire to standardize the lab. When Edmonds first contracted with Orchid Cellmark, all the other agencies in Snohomish County piggybacked on the contract that Edmonds negotiated. He was able to negotiate the same thing with Sorenson and they agreed to a 3-year lock on the contract which likely will save money in the long run.

COUNCILMEMBER FRALEY-MONILLAS MOVED, SECONDED BY COUNCILMEMBER MESAROS, TO APPROVE THE SERVICE AGREEMENT WITH SORENSON FORENSICS, LLC, FOR BIOLOGICAL SCREENING & DNA TESTING SERVICES. MOTION CARRIED UNANIMOUSLY.

C. COUNCIL AND COURT CHAMBERS A/V UPGRADE PROJECT

Public Works Director Phil Williams explained this is a carryover from last year's budget, a total of approximately \$195,000 to update the audio and visual technology in the Council Chambers to provide a better product, better digital resolution to the public for Council meetings and court. The budget was established at \$195,000 based on an initial cost estimate and conversations with the consultant who worked with staff to design the improvements. Approximately \$5,000 of the \$195,000 was spent last year to develop the specs and select the equipment; the total for the work is \$192,587. A vendor has been selected and staff is seeking authorization on next week's Consent Agenda for the Mayor to award the contract to Dimensional Communications for \$192,587 plus an additional \$20,000 for a management reserve. The funds are available from the Public Education Government (PEG) fees provided by Comcast that can only be spent for this purpose. The intent is a loan from the General Fund and to pay it back as the PEG fees are collected, approximately \$44,000/year.

COUNCILMEMBER FRALEY-MONILLAS MOVED, SECONDED BY COUNCIL PRESIDENT JOHNSON, TO TAKE CARE OF THIS PROJECT. MOTION CARRIED UNANIMOUSLY.

Mayor Earling clarified it does not need to come back on the Consent Agenda.

10. MAYOR'S COMMENTS

Mayor Earling remarked the Historic Preservation Commission calendar is absolutely spectacular; it includes a lot of fun pictures and the narrative is very well written. He wished everyone a happy New Year and was truly looking forward to working with the new Council. He anticipated a great adventure and appreciated the Council's commitment to move things along.

Mayor Earling expressed his appreciation to Councilmembers Tibbott and Teitzel for submitting questions to staff about agenda items prior to the meeting, remarking that is the way the Council needs to operate.

Mayor Earling reiterated he had enjoyed working with Councilmember Fraley-Monillas as Council President during the past year.

11. COUNCIL COMMENTS

Councilmember Fraley-Monillas thanked the Council for their support during the past year and she looking forward to another good year. She wished everyone a happy New Year.

Councilmember Nelson wished everyone a happy New Year. He welcomed Councilmembers Teitzel and Tibbott, thanked Councilmember Fraley-Monillas for her service as Council President and looked forward to the new leadership under Council President Johnson.

Councilmember Buckshnis echoed Councilmember Nelson's comments.

Councilmember Teitzel thanked the Council for the warm welcome; he was pleased and honored to be on the Council. He thanked Councilmembers for the advice they provided during the past year during his campaign. He thanked the voters for placing their trust in him, assuring he will come prepared, make wise decisions and be a good steward of their money.

Councilmember Mesaros commented typically the Council would be taking its first break at 8:30; it will be nice instead to be adjourning the meeting in 3-4 minutes. He thanked Councilmember Fraley-Monillas for her service as Council President and congratulated Council President Johnson as she leads the Council during the coming year. He looked forward to the coming year, anticipating it would be a good year for the Council and the City. There are a lot of decisions to be made and there is a good team on Council to accomplish that. He wished everyone a Happy New Year.

Councilmember Tibbott wished everyone a happy and prosperous New Year. He thanked the Council for the help they gave him in preparing for tonight's meeting and passing on tips for being effective as a Councilmember. He especially thanked Council President Johnson for the extended amount of time she gave, providing perspective on Council decisions. He looked forward to a great year, commenting it had already been fun to work with the Council.

Council President Johnson thanked Mayor Earling and past Council Presidents Buckshnis and Fraley-Monillas, she has learned a great deal from them both and their mentorship has meant a lot. She promised to do her best this year and with Councilmember Mesaros' help, she was certain they would be a great team. She congratulated the five Councilmembers and Mayor Earling who were sworn in tonight.

12. CONVENE IN EXECUTIVE SESSION REGARDING PENDING OR POTENTIAL LITIGATION PER RCW 42.30.110(1)(i)

This item was not needed.

13. **RECONVENE IN OPEN SESSION. POTENTIAL ACTION AS A RESULT OF MEETING IN EXECUTIVE SESSION**

This item was not needed.

14. **ADJOURN**

With no further business, the Council meeting was adjourned at 8:29 p.m.